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Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Navel Orange Reg. 164, Amdt. 1]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of Navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Navel oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the *FEDERAL REGISTER* (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restrictions on the handling of navel oranges grown in Arizona and designated part of California.

Order, as amended. The provisions in paragraph (b)(1) (i) and (ii) of § 914.464 (Navel Orange Regulation 164, 24 F.R. 2611) are hereby amended to read as follows:

- (i) District 1: 397,320 cartons;
(ii) District 2: 896,280 cartons.
(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608b)

Dated: April 8, 1959.

[SEAL] S. R. SMITH,
*Director, Fruit and Vegetable
Division, Agricultural Market-
ing Service.*

[F.R. Doc. 59-3049; Filed, Apr. 10, 1959;
8:46 a.m.]

[Navel Orange Reg. 165]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 914.465 Navel Orange Regulation 165.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such navel oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the *FEDERAL REGISTER* (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reason-

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CFR SUPPLEMENTS

(As of January 1, 1959)

The following supplements are now available:

Title 26, Parts 80-169 (\$0.20)
Parts 170-182 (\$0.20)
Title 32A (\$0.40)

Previously announced: Title 3, 1958 Supp. (\$0.35); Title 8 (\$0.35); Title 9, Rev. Jan. 1, 1959 (\$4.75); Titles 22-23 (\$0.35); Title 24, Rev. Jan. 1, 1959 (\$4.25); Title 25 (\$0.35); Title 26, Parts 1-79 (\$0.20); Titles 35-37 (\$1.25); Title 38 (\$0.55); Titles 40-42 (\$0.35); Title 46, Parts 146-149, 1958 Supp. 2 (\$1.50); Part 150 to end (\$0.50); Title 47, Part 30 to end (\$0.30); Title 49, Parts 71-90 (\$0.70); Parts 91-164 (\$0.40)

Order from Superintendent of Documents, Government Printing Office, Washington 25, D.C.

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A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

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able time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for navel oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such navel oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on April 9, 1959.

(b) **Order.** (1) The respective quantities of navel oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., April 12, 1959, and ending at 12:01 a.m., P.s.t., April 19, 1959, are hereby fixed as follows:

- (i) District 1: 369,600 cartons;
- (ii) District 2: 785,400 cartons;
- (iii) District 3: Unlimited movement;
- (iv) District 4: Unlimited movement.

(2) All navel oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "District 1," "District 2," "District 3," "District 4," and "carton" have the same meaning as when used in said amended marketing agreement and order.

(Sec. 5, 49 Stat. 853, as amended; 7 U.S.C. 608c)

Dated: April 10, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-3127; Filed, Apr. 10, 1959;
11:24 a.m.]

PART 922 — VALENCIA ORANGES GROWN IN ARIZONA AND DESIG- NATED PART OF CALIFORNIA

[Valencia Orange Reg. 160]

Limitation of Handling

§ 922.460 Valencia Orange Regulation 160.

(a) *Findings.* (1) Pursuant to the marketing agreement and Order No. 22, as amended (7 CFR Part 922), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said marketing agreement and order, as amended, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the

act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on April 9, 1959.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., April 12, 1959, and ending at 12:01 a.m., P.s.t., April 19, 1959, are hereby fixed as follows:

- (i) District 1: 115,500 cartons;
- (ii) District 2: 102,637 cartons;
- (iii) District 3: Unlimited movement.

(2) All Valencia oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "handler," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said marketing agreement and order, as amended.

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: April 10, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Market-
ing Service.

[F.R. Doc. 59-3126; Filed, Apr. 10, 1959;
11:24 a.m.]

[Grapefruit Reg. 307]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.966 Grapefruit Regulation 307.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the de-

clared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective as hereinafter set forth. Shipments of all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on April 7, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used in this section have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used in this section, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (7 CFR 51.750 to 51.790 of this title); and the term "mature" shall have the same meaning as set forth in section 601.16 Florida Statutes, Chapters 26492 and 28090, known as the Florida Citrus Code of 1949, as supplemented by section 601.17 (Chapters 25149 and 28090) and also by section 601.18, as amended June 22, 1955 (Chapter 29760).

(2) During the period beginning at 12:01 a.m., e.s.t., April 13, 1959, and ending at 12:01 a.m., e.s.t., April 27, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any seeded grapefruit, grown in the production area, which are not mature and do not grade at least U.S. No. 1 Bronze;

(ii) Any seeded grapefruit, grown in the production area, which are of a size smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance

with the provisions for the application of tolerances, specified in the United States Standards for Florida Grapefruit (7 CFR 51.750 to 51.790 of this title);

(iii) Any white seedless grapefruit, grown in the production area, which are not mature and do not grade at least U.S. No. 1 Bronze;

(iv) Any pink seedless grapefruit, grown in the production area, which are not mature and do not grade at least U.S. No. 1 Russet; *Provided*, That such grapefruit which grade U.S. No. 2 Russet, U.S. No. 2, or U.S. No. 2 Bright, may be shipped if such grapefruit meet the requirements as to form (shape) and color specified in the U.S. No. 1 grade; or

(v) Any seedless grapefruit, grown in the production area, which are smaller than $3\frac{1}{8}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: April 8, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-3063; Filed, Apr. 10, 1959;
8:47 a.m.]

[Orange Reg. 359]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.967 Orange Regulation 359.

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, including Temple oranges, as hereinafter provided, will establish and maintain such minimum standards of quality and maturity and such grading and inspection requirements as will tend to effectuate such orderly marketing of such Florida oranges as will be in the public interest; will tend to effectuate the declared policy of the act; and is not for the purpose of maintaining prices to farmers above the level which it is declared to be the policy of Congress to establish under the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of oranges, including Temple oranges, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on April 7, 1959; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; the provisions of the act require that the minimum standards of quality and maturity, as set forth herein, be made effective when the seasonal average price to growers for such oranges exceeds the parity level specified in section 2(1) of the act; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth and at the commencement thereof, so as not to permit the unrestricted shipment thereafter of Florida oranges, including Temple oranges, as such unrestricted shipments would not be conducive to the orderly marketing of such oranges as will be in the public interest and would not tend to effectuate the declared policy of the act; compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof; and this section relieves certain restrictions on the handling of Temple oranges.

(b) *Order*. (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Oranges and Tangelos (7 CFR 51.1140 to 51.1186 of this title).

(2) The provisions of Orange Regulation 357, as amended (§ 933.961; 24 F.R. 1495, 1826), are hereby terminated effective at 12:01 a.m., e.s.t., April 13, 1959.

(3) During the period beginning at 12:01 a.m., e.s.t., April 13, 1959, and ending at 12:01 a.m., e.s.t., September 14, 1959, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any oranges, including Temple oranges, grown in the production area, which do not grade at least U.S. No. 2 Russet; or

(ii) Any oranges, except Temple oranges, grown in the production area, which are of a size smaller than a size that will pack 324 oranges, packed in accordance with the requirements of a standard pack, in a standard nailed box. (Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: April 9, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-3073; Filed, Apr. 10, 1959;
8:49 a.m.]

[Export Reg. 2]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Export Shipments

§ 933.968 Export Regulation 2.

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, including Temple oranges, by export as hereinafter provided, will establish and maintain such minimum standards of quality and maturity and such grading and inspection requirements as will tend to effectuate such orderly marketing of such Florida oranges as will be in the public interest; will tend to effectuate the declared policy of the act; and is not for the purpose of maintaining prices to farmers above the level which it is declared to be the policy of Congress to establish under the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when

information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Export shipments of oranges, including Temple oranges, grown in the production area, to destinations outside the continental United States, other than Canada and Mexico are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on April 7, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; the provisions of the act require that the minimum standards of quality and maturity, as set forth herein, be made effective when the seasonal average price to growers for such oranges exceeds the parity level specified in section 2(1) of the act; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth and at the commencement thereof, so as not to permit the unrestricted shipment thereafter of Florida oranges, including Temple oranges, as such unrestricted shipments would not be conducive to the orderly marketing of such oranges as will be in the public interest and would not tend to effectuate the declared policy of the act; compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof; and this section relieves certain restrictions on the handling of oranges.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Oranges and Tangelos (7 CFR 51.1140 to 51.1186 of this title).

(2) The provisions in subdivisions (i), (ii), and (iii), of § 933.924(b) (2) (Export Regulation 1; 23 F.R. 8249) are hereby terminated effective at 12:01 a.m., e.s.t., April 13, 1959.

(3) During the period beginning at 12:01 a.m., e.s.t., April 13, 1959, and ending at 12:01 a.m., e.s.t., September

14, 1959, no handler shall ship to any destination outside the continental United States, other than to Canada and Mexico:

(i) Any oranges, including Temple oranges, grown in the production area, which do not grade at least U.S. No. 2 Russet; or

(ii) Any oranges, except Temple oranges, grown in the production area, which are of a size smaller than 2 $\frac{3}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of oranges, except Temple oranges, smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in the United States Standards for Florida Oranges and Tangelos (7 CFR 51.1140 to 51.1186 of this title).

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: April 9, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-3072; Filed, Apr. 10, 1959;
8:49 a.m.]

[Lemon Reg. 786, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.893

(Lemon Regulation 786; 24 F.R. 2612) are hereby amended to read as follows:

(ii) District 2: 269,700 cartons.

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: April 7, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-3048; Filed, Apr. 10, 1959;
8:45 a.m.]

[Lemon Reg. 787]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.894 Lemon Regulation 787.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 23 F.R. 9053), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The Committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act,

to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on April 8, 1959.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., April 12, 1959, and ending at 12:01 a.m., P.s.t., April 19, 1959, are hereby fixed as follows:

- (i) District 1: 7,440 cartons;
- (ii) District 2: 294,810 cartons;
- (iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Sec. 5, 49 Stat. 753, as amended; 7 U.S.C. 608c)

Dated: April 9, 1959.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-3098; Filed, Apr. 10, 1959;
8:48 a.m.]

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission PART 25—FEDERAL EMPLOYEES' PAY REGULATIONS

Bases for Determining Positions for Which Additional Compensation Is Authorized

In Federal Register Document 59-2437 (24 F.R. 2267), filed March 23, 1959, the headnote of § 25.263 is redesignated to read as follows: "§ 25.263 *Bases for determining positions for which additional compensation at the 15 percent rate under § 25.261 is authorized.*"

(Sec. 605, 59 Stat. 304; 5 U.S.C. 945)

UNITED STATES CIVIL SERV-
ICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F.R. Doc. 59-3053; Filed, Apr. 10, 1959;
8:46 a.m.]

PART 27—EXCLUSION FROM PROVI- SIONS OF FEDERAL EMPLOYEES PAY ACT OF 1945, AS AMENDED, AND CLASSIFICATION ACT OF 1949, AS AMENDED, AND ESTABLISH- MENT OF MAXIMUM STIPENDS FOR POSITIONS IN GOVERNMENT HOS- PITALS FILLED BY STUDENT OR RESIDENT TRAINEES

Hospital Administration Residents

Effective April 1, 1959, the maximum stipend prescribed under § 27.2 for the

position listed below is amended as follows:

§ 27.2 Maximum stipends prescribed.

* * * * *

Hospital administration residents:
Second year approved postgraduate
training ----- \$2,800

(61 Stat. 727; 5 U.S.C. 1051-1058)

UNITED STATES CIVIL SERV-
ICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F.R. Doc. 59-3052; Filed, Apr. 10, 1959;
8:46 a.m.]

Title 12—BANKS AND BANKING

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Reg. F]

PART 206—TRUST POWERS OF NATIONAL BANKS

Transfer of Assets to a Common Trust Fund

§ 206.117 Transfer of assets to a com- mon trust fund.

(a) The opinion of the Board of Governors has been requested as to whether the transfer of assets from individual fiduciary accounts to a common trust fund, in exchange for participations therein, would be permitted under § 206.17.

(b) The words contained in this part in connection with the investment of individual accounts in a common trust fund are confined to "funds" or "moneys," terms connoting cash. Thus, it is clear that the direct exchange of assets, other than cash, for units of a common trust fund is not contemplated. The only exception to this is in the case of United States savings bonds and certain nonmarketable Treasury bonds (§ 206.108). It is stated, that in practice a bank would sell assets of individual trusts to the common trust fund, ascertain the sale price of the transaction, and then participate the account to this amount, plus or minus a small amount of cash to provide for the purchase of whole units. It remains, then, to determine if inter-trust dealing may be employed by a bank to do indirectly what it cannot do directly.

(c) The procedures through which it is proposed to accomplish the sale of securities to the common trust fund and the concomitant purchase of units therein appear to be surrounded with a number of sound administrative safeguards. The exercise of investment discretion by the trust investment committee, however, is not susceptible to the application of fixed procedures. The selection of securities for a common trust must be decided solely upon investment considerations

and the needs of particular accounts participating therein. Other external factors should be excluded from the thinking of the trust investment committee in reaching its decisions. If the proposed practice were permitted, it is believed that trust investment committees of banks administering common trust funds might tend to select the particular securities held in individual fiduciary accounts for additions to the fund primarily because of their availability. The effect on common trust fund portfolios exerted by such influence is believed undesirable. Moreover, any such transactions between different trusts impose upon the trustee the burden of being able to justify the transaction as fair and not disadvantageous to both the buying and selling accounts; and it is believed that the saving of brokerage commissions by transferring assets to the common trust fund is far outweighed by the possibility that the bank may be compelled to defend its actions.

(d) It is the opinion of the Board, therefore, that the exchange of assets, other than for cash or the nonmarketable United States obligations noted above, for units of the common trust fund, either directly or indirectly, is not in conformity with the letter and the spirit of § 206.17.

(Sec. 11(i), 38 Stat. 262; 12 U.S.C. 248(i). Interpret or apply secs. 2-4, 24 Stat. 18, 19, sec. 1, 40 Stat. 1043, as amended, sec. 1, 44 Stat. 1225, as amended, sec. 11(k), 38 Stat. 261, as amended, 53 Stat. 68, as amended; 12 U.S.C. 30-33, 34(a), 248(k), 26 U.S.C. 163)

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM,

[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 59-3043; Filed, Apr. 10, 1959;
8:45 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Manage- ment, Department of the Interior

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 1775]

[Utah 010084]

UTAH

Reserving Lands Within National For- ests for Use of the Forest Service as Administrative Sites, Recreation Areas, or Other Public Purposes

Correction

In F.R. Doc. 59-445 appearing at page 423 of the issue of Saturday, January 17, 1959, the following change should be made:

On page 424, the third line of the land description under *Antimony Canyon Recreation Area* now reading "Sec. 21 lot 1," should be changed to read "Sec. 22 lot 4;".

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 927]

[Docket No. AO-71-A37]

HANDLING OF MILK IN NEW YORK- NEW JERSEY MILK MARKETING AREA

Notice of Recommended Decision and Opportunity To File Written Excep- tions With Respect to Proposed Amendments to Tentative Market- ing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to proposed amendments to the tentative marketing agreement, and order regulating the handling of milk in the New York-New Jersey milk marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D.C., not later than the close of business the 15th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order, were formulated, was conducted at Newark, New Jersey, on August 19-22, 1958; Watertown, New York, on August 25, 1958; Albany, New York, on August 27-28, 1958; and New York, New York, on September 9-12, 1958, pursuant to notice thereof issued on August 7, 1958 (23 F.R. 6185).

The material issues on the record of the hearing relate to:

(1) Revision of transportation differentials applicable to class prices, the fluid skim differential and the uniform or blend price paid to producers.

(2) Whether direct delivery differentials should be eliminated in their entirety, retained in present form, or modified as to rate or area of application.

Findings and conclusions. The findings and conclusions hereinafter set forth relative to the above listed material issues are based on the evidence presented at the hearing and in the record thereof. Although the issues on which findings and conclusions are made herein are listed as two separate issues, their interrelationship is acknowledged and, in a sense, they may be considered as constituting a single issue since both issues, as listed, relate to variations in minimum prices to be paid by handlers depending

upon the location at which milk is received from producers.

Existing provisions of the order for transportation and direct delivery differentials are those made effective on August 1, 1957 and are provisions effectuating findings and conclusions in the decision of June 10, 1957 (22 F.R. 4194) based on evidence in the record of a public hearing held during the period June 18, 1956-March 29, 1957 (Docket No. AO-71-A32 and Docket No. AO-284).

Proposals to change these provisions were submitted and it is on such proposed changes that the hearing was held during the period August 19-September 12, 1958. Thus, there is now presented for decision on the record of this latter hearing only the question of whether the existing order provisions relating to transportation and direct delivery differentials should be changed. No question is recognized as being appropriately presented for decision on the record of this hearing concerning the validity of findings and conclusions or the effectuating order provisions formulated on the basis of the former hearing, this being a question properly to be presented only in a proceeding held pursuant to section 608c (15) (A) of the Act.

Issue No. 1. Transportation differentials. The rate of transportation differentials applicable to the Class I-A and Class I-B price, the fluid skim differential, and the uniform price (hereinafter called "Class I transportation differentials") should be changed from 1.4 to 1.2 cents per 10-mile zone. No change should be made in the transportation differentials applicable to the Class II and Class III prices.

The cost of transporting fluid milk by tank truck from country plants to Metropolitan New York-New Jersey varies by an average of approximately 1.2 cents per 10-mile zone. Thus Class I transportation differentials which change at a uniform rate of 1.2 cents per 10-mile zone will reflect current transportation cost variations associated with distance. Tank trucks are the principal means of transporting milk from country plants to Metropolitan New York-New Jersey. The record discloses shipment of milk by railroad tank cars from only two plants. The use of larger tank trucks and elimination of the 3 percent tax on transportation charges have contributed to a lower unit of cost of transportation.

A survey covering approximately 50 percent of the milk shipped from country plants in November 1957, indicates that approximately 80 percent of the loads were in tank trucks with capacity of 480 cans or more. It also was shown that about 66 percent of a total of 256 tank trucks used by various haulers were over 450 cans capacity and that smaller trucks were being replaced with those with capacity up to 540 cans.

The average of actual charges for transportation, excluding the transportation tax (which no longer is applicable) from locations in the 201-210-mile zone was 35.6 cents in tanks with capacity of

480-539 cans and about 43 cents in tanks with less than 480 cans capacity. Weighting these rates by the approximate relative volumes moved by larger and smaller tanks; that is, 80 percent in larger tanks and 20 percent in smaller tanks, results in an average for the zone of about 37 cents.

It is recognized that these rates are for hauling milk to points in New York City, some of which are approximately 25 miles inside the arc of basing points used in determining zones. Thus, the use of a differential rate of 1.2 cents per 10-mile zone for the equivalent of 22.5 zones (20 to the arc and 2.5 inside) has the effect of allocating 27 cents (22.5 times 1.2) of the total cost of 37 cents to variable costs and 10 cents to the fixed cost of transportation. Use of the arc of basing points in determining zones, however, recognizes distance only to the arc, leaving a total variable cost of 24 cents (20 zones times 1.2) to be reflected in the schedule of transportation differentials. The fixed cost of transportation is of no importance in achieving uniformity in pricing at various locations from which the cost of transportation to Metropolitan New York-New Jersey is borne by the handler since it is a factor uniformly applicable in all instances. It is a factor, however, to which recognition must be given in pricing milk delivered directly to plants in Metropolitan New York-New Jersey where the entire cost of transportation is borne by the producer rather than the handler.

A differential rate of 1.2 cents per 10-mile zone is found to be justified both on the basis of variations in actual transportation costs and on computations presented based on quoted transportation rates of haulers. Several computations of variable and fixed transportation costs were presented based on quoted rates of a major hauler from points in New York State to New York City. One of such computations was based on 336 point-to-point rates and another on 328 point-to-point rates. Variable costs per 10-mile zone were indicated from these computations to be about 1.3 cents using trucks with capacity of over 450 cans and about 1.4 using smaller trucks. Fixed costs based on these calculations ranged from 9 to 12.5 cents. Published rates for other haulers also were presented from which variable costs per 10-mile zone were computed ranging from .98 to 1.77 cents and with fixed costs ranging from 5 to 25 cents.

Actual transportation charges were presented for hauling milk to New York City from 208 plants in April and May 1958. For hauls in tank trucks with capacity of 480-539 cans from 116 plants in 29 zones, the charges made indicate a variable cost per 10-mile zone of 1.2 cents and a fixed cost of 10.5 cents. Based on charges for hauling from 92 plants in 27 zones using trucks of 400 to 479 cans capacity, the variable cost was 1.5 cents with a fixed cost of 11 cents. A separate report of actual charges for hauling from 13 plants in zones between

150 and 350 miles showed a variable cost of 1.24 cents per zone.

A differential rate reflecting variable costs based primarily on actual charges appears appropriate. Published rates were shown to apply generally to single loads rather than to regular hauls and to differ from actual charges also depending upon such factors as (1) size of load, (2) road conditions, (3) State load limits, (4) location of hauler's garage relative to delivery and shipping point, (5) opportunity for return loads, and (6) competition from other haulers. The rate of 1.2 cents also recognizes the predominant current use of larger trucks and a continuing trend in that direction. Analysis of transportation cost variations associated with distance support a uniform differential rate for all zones rather than proposals for a tapering rate declining with distance from the Metropolitan area. Point-to-point rates for different sectors according to distance provide no consistent pattern of a lower variable cost for distant zones.

Differentials applicable to Class II and Class III prices, as previously indicated, should remain unchanged at the present rate of 1 cent for each 25 miles.

Proposals were made to (1) reduce to zero the differentials presently ranging from 1 to 4 cents in the 121-200-mile zones, (2) increase the differentials by amounts ranging from 1 to 4 cents per 25-mile zone within 100 miles, and (3) increase the differentials within 180 miles by amounts ranging from .5 cents in the 171-180-mile zone to 6.6 cents in the 1-10-mile zone.

Proponents of lower differentials in the 121-200-mile zone computed transportation costs from quoted rates of a major hauler for hauling 40 percent cream, 20 percent cream, and plain condensed in tank truck loads of 3,500-4,000 gallons and for minimum truck loads of 32,000 pounds. Such computed transportation costs for the milk equivalent of 40 percent cream f.o.b. the Metropolitan market and nonfat dry milk f.o.b. manufacturing plants, were 1.0 cent less in the 101-110-mile zone and 1.4 cents more in the 301-310-mile zone than in the 201-210-mile zone. This proposal would reduce by from 1 to 4 cents the present plus adjustment of Class II and Class III prices at locations between 121 and 200 miles.

Proponents of such lower differentials maintained that the proposal would have only a minor effect on the value per hundredweight of all milk in the pool, since only about 24 percent of total Class II and Class III milk in 1957 originated at plants within the 225-mile zone. Under this proposal, however, about 22 percent of all Class II and Class III milk would return lower prices without any compensating increase at other locations. During the period August-December 1957 (the period for which data were in the record for the enlarged marketing area) Class I utilization at plants by 25 mile zones between 125 and 200 miles averaged from 72 to 74 percent of producer receipts at these plants. Producer receipts at plants in these zones averaged 33 to 37 percent of total producer receipts. Plants more distant from the

market shipped considerable volumes of milk for Class I utilization into the market during this period. Thus, lower Class II and Class III prices inside the 200-mile zone would tend to encourage the use of this nearby milk for manufacturing during periods when market requirements for milk for fluid use must come from more distant plants.

Reductions in differentials at locations between 121 and 200 miles were proposed in order to provide the same cost for cream and nonfat solids at such locations as at more distant locations. However, consideration must be given to the production area in its entirety when determining the appropriate differentials. Products included in Class II and Class III are of widely varying concentration, with such variation directly affecting the cost of transportation. For example, the transportation cost of such products as fluid skim, buttermilk, milk drinks, half and half, and other related products is similar to that of fluid milk. On the other hand, whole milk powder, butter, cheese, nonfat dry milk and related products would have lower transportation costs in terms of their milk equivalent. Also, there are intermediate products, from the standpoint of transportation costs, such as fluid cream, condensed milk and cottage cheese. Differentials designed to provide equality of cost for selected products in selected areas would result in inequalities in other areas and for other products. No single schedule of differentials can be expected to result in precise or exact equality for all products at all locations, and obviously, separate schedules for individual products would be not only impractical but also inconsistent with the overall classification plan.

The calculation, from available quoted rates, of total transportation costs for various products, equivalent to 100 pounds of 3.5 percent milk, results in variations closely related to present order differentials. For example, the variation in transportation costs for plants in the 201-210-mile zone compared to plants in the 151-160-mile zone for the milk equivalent of 40 percent cream and nonfat dry milk was 1.4 cents; 18 percent cream and nonfat dry milk, 1.8 cents, and 40 percent cream and condensed milk, 2.2 cents compared with the present order differential of 2 cents. No figures were presented showing actual transportation costs for Class II and Class III products which would serve to support or deny the relationship of computed or quoted rates of the one hauler.

Proponents of increased differentials for these zones within 180 miles computed transportation costs from quoted rates of a major hauler for various combinations of Class II and Class III products. The computed transportation cost associated with distance varied from 0.14 cents per 10-mile zone for the milk equivalent of cheese and whey powder to 0.58 cents per 10-mile zone for cream and nonfat dry milk. The proposed higher differentials do not appear to be supported by variations in the transportation costs associated with distance. However, proponents claimed justification for the proposal as a means of

achieving more efficient procurement and utilization of milk.

Higher differentials at locations within 100 miles likewise were proposed to encourage the use in fluid classes (rather than in manufactured products) of milk received at such locations and also to encourage the economical allocation of producer deliveries among handlers in this area so that handlers would tend to keep direct delivered receipts in line with fluid sales.

During the period August-December 1957, Class I utilization of producer receipts at plants by 25 mile zones within 125 miles averaged from 90-96 percent. Producer receipts at plants in the 1-125-mile zone averaged 16 percent of total producer receipts during this period. For the year 1957, only about 2.5 percent of the total volume of Class II and Class III milk was received at plants inside 125 miles. Thus, the potential for encouraging the use in Class I of a higher percentage of receipts in this area is extremely limited. For the year 1957, about 22 percent of the total volume of Class II and Class III milk was received at plants in zones between 125 and 200 miles, and as previously found, Class I utilization in these zones for the period of August-December 1957, averaged from 72-74 percent of producer receipts. While it is conceivable that higher Class II and Class III differentials in these zones might induce a somewhat higher Class I utilization, it also must be recognized that such utilization now is above the average for all zones; that present differentials are higher than apparent differences in transportation costs associated with distance particularly as to relatively concentrated products, and that the lower Class I differentials herein provided will tend to favor Class I utilization of milk received at plants inside 200 miles. At the same time, for that milk used in Class II and III inside the 200-mile zone, there is opportunity for plant operators to utilize milk in those products which are most favorable in terms of the transportation differentials provided in the order.

Issue No. 2. Direct delivery differentials. It is concluded (1) that provision should continue to be made for direct delivery differentials at the present rates applicable to milk received at plants located in Metropolitan New York-New Jersey and surrounding nearby territory and at other locations presently specified in Upstate New York.

In the decision of June 10, 1957, it was found that:

(1) Direct delivery differentials are "differentials paid by handlers, directly to producers delivering milk to specified locations reflecting factors other than those associated with varying transportation costs".

(2) "In most instances the value to a handler of direct delivered milk is related to the lowest cost of an alternative supply which meets his requirements with respect to volume, seasonality, and quality. Where abundant supplies are available from a relatively large number of producers delivering to nearby pool plants and who are being paid the minimum Order No. 27 uniform price, only a

small premium, if any, is required to obtain an adequate supply of direct delivered milk. If the best alternative is direct receipts from producers in a more distant area, direct delivery from nearby producers is worth the price which must be paid in the more distant territory plus the additional cost of transporting milk from that distant territory. If the best alternative supply is milk from an Order No. 27 pool plant, direct delivery is worth the class price at that plant plus the charge for country plant handling and hauling."

The above findings (numbered (1) and (2)) were made with reference to direct delivery differentials generally, that is, those payable at locations in or near the New York-New Jersey metropolitan territory and also at other locations. However, as in the decision of June 10, 1957, consideration here will be given first to direct delivery differentials applicable to milk received at plants located in or immediately surrounding the New York-New Jersey metropolitan area. As to such differentials the following findings (in addition to those quoted above insofar as they are applicable) are set forth in the decision of June 10, 1957. Such findings are listed here (as quotes numbered (3) through (6)) together with additions thereto or modifications thereof based on evidence in the record of this hearing (the term "this hearing" being used herein to refer to the hearing ending on September 12, 1958). No findings are made herein on evidence presented at the hearing with particular reference to findings made in the decision of June 10, 1957 relating to nearby differentials paid pursuant to § 927.71(b) of the order since the question of changing such differentials is not an issue in this proceeding.

(3) "Metropolitan New York-New Jersey receives the major part of its supply from country plants; only a small part of the total is received from producers delivering milk directly to processing plants in or near this territory." Evidence in the record of this hearing supports this finding as to periods of time both before and after the decision of June 10, 1957. In the month of November 1956, only about 14 percent of the milk for fluid use in the metropolitan district was received from producers at plants located inside the 60-mile zone (as zones presently are determined). Comparable percentages for the months of May 1957, November 1957, and May 1958 are approximately 19, 12 and 16 respectively. In June 1958, the total volume of milk received from producers at plants in the 1-10-mile zone was slightly under 9 million pounds, a volume equivalent to less than 3 percent of the milk for fluid use in Metropolitan New York-New Jersey.

(4) "Milk dealers receiving milk from country plants for distribution in the metropolitan territory therefore must pay in addition to the price paid farmers, an additional charge covering the cost of handling at the country plant and the cost of transportation, including both the fixed and variable costs of transportation, from the country plant to the city plant." This finding is sup-

ported by evidence in the record of this hearing as to time periods both before and after the decision of June 10, 1957.

The customary charge prevailing in 1958 for country plant handling under inter-handler contracts was approximately 35 to 37 cents per hundredweight and the cost of transportation from the 201-210-mile zone was shown to be about 34 cents per hundredweight, (37 cents adjusted to the arc) making a total charge over and above the class price at the country plant of about 70 cents per hundredweight. Handling charges on spot market sales by country plants fluctuate rather widely but tend to average not far different from charges for contract milk.

(5) "Handlers receiving milk directly from producers at processing plants located within the 1-10-mile zone would avoid charges of 25 cents or more for operation of a country plant together with the fixed cost of transportation. The amount charged the city dealer by a country plant operator for these services usually is in excess of 25 cents. A direct delivery differential for milk delivered to a handler located in the 1-10-mile zone of 25 cents per hundredweight would tend to equate his cost of milk with the cost of a handler similarly located who receives his milk from a country plant."

The record of this hearing provides a basis for some further refinement and expansion of these findings. Specifically, the "charges of 25 cents or more" referred to in the first sentence above were shown to consist of a country plant handling charge approximating 36 cents and a fixed transportation cost of 10 cents. These items total 46 cents which constitutes the amount charged the city dealer by a country plant operator and which (as set forth in the second sentence quoted above) usually is in excess of 25 cents. By way of clarification, it is recognized, of course, that the operator of a city pasteurizing and bottling plant receiving milk directly from producers (rather than from country plants) actually avoids payment of all charges for country plant handling and the entire cost of transportation, which charges are shown to be 36 cents and 34 cents respectively, or a total of 70 cents. However, the variable cost of transportation (24 cents from a plant in the 201-210-mile zone) would be reflected in the city plant price which, when deducted from the 70 cents, leaves the same 46 cents.

Perhaps a clearer picture is obtained if the cost to a city plant operator for country plant milk is considered to be the country plant price plus 70 cents. If the same city plant operator receives milk directly from producers the price required to be paid would be the country plant price plus the transportation differential of 24 cents and plus whatever amount is specified as a direct delivery differential. If no direct delivery differential is specified, it thus appears that the minimum price established for milk received directly from producers at a plant in the 1-10-mile zone would be 46 cents less than the cost of milk received by tank truck from a country plant. The addition of a direct delivery differ-

ential of 25 cents to the price for milk received directly from producers at the city plant brings the price to 49 cents (25 plus 24) above the country plant (201-210-mile zone) price. There remains a difference of 21 cents (70 minus 49) to cover the cost of those functions or operations performed at the city plant when milk is there received directly from producers which is in excess of the cost incurred when milk previously received at a country plant is received at the city plant.

The cost of various functions associated with receiving milk from producers is incurred irrespective of whether it is received at a country plant or at a city plant. However, when milk is received at the city plant by tank truck from a country plant, rather than directly from producers at the city plant, the cost of receiving such country plant milk is substituted for the cost of receiving milk from producers. It is the amount of this difference in the cost of these two methods of receipt that is the item of significance here and is somewhat less when milk from producers is received at the city plant in bulk tank than when milk from producers is received in cans at the city plant. No basis is found in the record on which to determine the precise amount of this difference. However, the cost of receiving milk at a city plant by tank truck from a country plant was indicated to approximate 5 cents per hundredweight. On this basis, the cost of direct delivered milk could exceed the alternative cost of country plant milk only if the cost of receiving milk at the city plant directly from producers is more than 26 cents per hundredweight. This appears to be a cost higher than expected with a reasonably efficient operation. Accordingly, the evidence in the record of this hearing supports the finding (third quoted sentence under item (5) above) that a direct delivery differential of 25 cents for milk delivered to a handler located in the 1-10-mile zone would tend to equate his cost of milk with the cost of milk for a handler similarly located who receives his milk at a country plant.

It was pointed out that a substantial number of pasteurizing and bottling plants are operated by handlers who also operate country plants and thus are not required to pay handling charges on milk transferred between handlers. Thus, it was argued that the cost of an alternative supply is not an appropriate basis for determining a rate of direct delivery differentials. However, since city plant operators without country plant supplies provide a constant and continuing market for country plant milk, the alternative of supplying this market is available also to country plant operators who also operate their own city plants. If they choose to obtain milk for their city distribution from their own country plants, they forego the opportunity of disposing of their country plant milk to other handlers at the prevailing handling charge. Under these circumstances, the amount of the prevailing country plant handling charge is a proper measure of the cost of obtaining country plant milk.

(6) "Handlers customarily have paid a premium over the uniform price to pro-

ducers delivering to plants in the area covered by these (direct delivery) differentials, and usually in considerably greater amounts than are required by these differentials." It also was found in the decision of June 10, 1957 that in 1955 premiums over the uniform price received by producers in the western counties of northern New Jersey averaged 36 to 39 cents per hundredweight. During the period August 1956 through July 1957, dealers operating pool plants located in New Jersey paid premiums averaging 32.8 cents per hundredweight for the 12 month period over the minimum prices established by the order. The range in such premiums was from 13 cents to 87.7 cents per hundredweight. Receipts at these plants were about 45 percent of all receipts from producers at plants in northern New Jersey during this period.

Handlers operating pool plants in Orange County, New York during the period August 1956 through July 1957, paid premiums averaging 11.7 cents per hundredweight and ranging from 0 to 30.4 cents per hundredweight. Prices paid by handlers operating pool plants in New Jersey during the period August 1956 through July 1957 averaged 12.1 cents per hundredweight above the prices which would have been required as minimum order prices under order provisions made effective on August 1, 1957. During the same period handlers operating pool plants in Orange County also paid premiums but such premiums averaged 6.5 cents per hundredweight less than the prices which would have been required under order provisions which became effective on August 1, 1957. Thus, the above quoted finding in the prior decision is amply supported by evidence in the record of this hearing.

Those proposing elimination of direct delivery differentials contended that the history of premiums paid by Order No. 27 handlers prior to August 1, 1957, is not a proper basis for direct delivery differentials because such premiums were paid either in compliance with minimum price regulation of the State of New Jersey (Office of Milk Industry) or in competition with prices paid either by handlers subject to such regulation or by handlers obtaining milk from totally unregulated sources. In this connection, it should be recognized that there has been some degree of acceptance of the validity of these contentions in that, in most instances, the direct delivery differential rate is less than the rate of premium payments prior to August 1, 1957, and in that the history of premium payments is not the entire basis for direct delivery differentials but merely one indicator of the appropriate rate.

Support for the view that too much weight has not been given to the history of premium payments prior to full regulation is found in the record of premium payments over minimum order prices since August 1, 1957. During the period August 1957 through March 1958, premiums paid at plants in northern New Jersey which were pool plants prior to August 1, 1957, averaged 3.1 cents per hundredweight over the minimum prices established under the order including

the direct delivery differentials. Such premiums ranged from -2.7 cents to 34.1 cents. Premiums paid during the period August 1957 through March 1958 at plants in Orange County which were pool plants prior to August 1, 1957, averaged 2.1 cents per hundredweight and ranged from -0.7 cents to 15.9 cents per hundredweight. Handlers operating plants in Orange County that were not pool plants prior to August 1, 1957, also have paid premiums since that time. The premiums at such plants averaged 6.8 cents in August 1957, 3.4 cents in November 1957, and 5.2 cents in March 1958. Similar premiums in Dutchess County averaged 23.1 cents in August 1957, 5.3 cents in November 1957 and 5.0 cents in March 1958. Corresponding premiums in Ulster County were 11.8 cents, 20.6 cents and 32.0 cents.

Other rather significant indications of the propriety of direct delivery differentials at the present rates are that (1) producers in the direct delivery differential area thus far have experienced no difficulty in retaining a market for their milk at plants at which direct delivery differentials are payable and (2) no pronounced shift has occurred in the number of producers from which milk is received at plants paying direct delivery differentials. There has been some shift between zones in the number of producers delivering milk to plants at which location differentials are paid. The greatest change occurred in the 1-10-mile zone where there was a reduction of 213 (from 489 to 276) in the number of producers from whom milk was received between August 1957 and June 1958. Most of this shift took place between November 1957 and February 1958 and is accounted for primarily by the discontinuance by one handler of the practice of receiving producer milk in cans at a pasteurizing and bottling plant at which milk also is received in bulk from other plants. During the same period (August 1957 to June 1958) the number of producers delivering milk to plants increased 110 (from 464 to 574) in the 11-30-mile zone, decreased 38 (from 2,150 to 2,061) in the 31-50-mile zone, increased 75 (from 1,203 to 1,278) in the 51-70-mile zone, and decreased 21 (from 52 to 31) in the 71-80-mile zone. Thus, in the aggregate for all zones from August 1957 to June 1958 there was a decrease in the number of producers delivering milk to plants paying a direct delivery differential of 138 (from 4,358 to 4,220). This is a reduction of 3.2 percent and only slightly higher than the percentage decline (2.4) during the same period in the total number of producers delivering to all pool plants. This indicates that direct delivery differentials (together, of course, with transportation differentials) thus far have resulted in minimum prices for milk at plants in the direct delivery differential area which are reasonably in line with the prices applicable at other locations.

The order presently requires payment of direct delivery differentials on milk received directly from producers at plants in territory immediately surrounding Metropolitan New York-New Jersey. The rates are 20 cents for the 11-30-mile zone, 15 cents for the 31-50-mile zone,

10 cents for the 51-70-mile zone and 5 cents for the 71-80-mile zone with none applicable beyond 80 miles.

In connection with the establishment of these differentials, it was found in the decision of June 10, 1957, that "some handlers process milk for consumer distribution from plants located in the rural territory immediately surrounding the metropolitan area at which plants milk is received directly from producers. Many producers in the area throughout Northern New Jersey and the nearby counties of New York State deliver milk directly to plants where it is processed and pasteurized for the consumer. Also, in this same territory, there are a number of plants which do not process milk but merely cool it and ship it to a processing plant at another location." Further, concerning these pasteurizing and bottling plants in the fringe territory, it was found that the handler operating such a plant "may avoid the extra cost of operating two plants, but this saving may be off-set to some extent by the cost of transportation of processed milk and, consequently, the net saving may not be as great as in instances where the milk is received directly in the urban area." Accordingly, it was found that handlers operating pasteurizing and bottling plants in the fringe territory outside the 1-10-mile zone also (as in the case of handlers operating plants within the 1-10-mile zone) should pay direct delivery differentials, but at rates decreasing with distances from the metropolitan area. The primary basis for making the differentials applicable to milk received directly from producers at all plants in this fringe territory irrespective of the type of operation conducted at the plant was that (1) the requirement for milk for fluid use at pasteurizing and bottling plants in and immediately surrounding the metropolitan area exceeds the volume of all milk produced in the nearby territory, (2) all of the milk delivered by producers in this area is available (by reason of its location) for delivery directly to pasteurizing and bottling plants and (3) competition would force the payment of premiums at other plants in the same locality if direct delivery differentials were required only at certain plants depending on the classification of milk at the plant or upon whether pasteurizing or bottling operations were conducted at the plant. These findings are amply supported by evidence in the record of this hearing.

There appears to be no way in which appropriate declining rates of direct delivery differentials for the territory immediately surrounding Metropolitan New York-New Jersey may be calculated with precision by means of a mathematical formula employing exact monetary values representing the various factors involved. The factors and considerations justifying a 25-cent rate in the 1-10-mile zone (which themselves are not entirely susceptible of precise measurement) become applicable to a somewhat lesser degree at points surrounding the center of the metropolitan area. Moreover, the location value of milk in the fringe area is influenced by factors not present, at least to the same degree,

in the center of the metropolitan area, with the result that gradually, but not abruptly at the 1-10-mile zone, a point is reached (80-mile zone) where milk received from producers has no location value different from that resulting from application of transportation differentials reflecting the variable cost of transportation.

To elaborate, it is evident that the location value of milk received from producers at a pasteurizing and bottling plant in the western portion of Northern New Jersey or in Orange County, New York (40-60 miles) from which milk is distributed both locally and into the metropolitan center is lower by some amount (although not measurable precisely) than the value at a plant in the metropolitan center from which milk is there distributed. In both cases, a charge for country plant handling is avoided but the outlying plant incurs expense in moving packaged milk to the consuming center. Thus, there is suggested the possibility of fixing a direct delivery differential rate at the outlying plant of 15 cents (10 cents less than for the 1-10-mile zone and which presently is the rate for the 31-50-mile zone) on the basis that at that location there is no net saving of the fixed cost of transportation. However, the picture is complicated by other considerations. There appears to be considerable merit in the concept that with increasing distance from the metropolitan center, where there is a lower density of urban population together with more locally produced milk relative to local fluid sales, country plant milk (carrying a handling charge) is not necessarily the most economical alternative source of supply.

The finding previously made to the effect that, because of competition among all plants, the specified rate of direct delivery differential should be paid at all plants at a given location irrespective of the type of operations conducted, was questioned at the hearing as being unsound since approximately 70 percent of the milk received from producers at plants in the three western counties of Northern New Jersey and Orange County is received at plants commonly referred to as country receiving stations with only 30 percent received at pasteurizing and bottling plants. These figures provide a distorted picture however, since it also was established that a substantial (though not exactly indicated) number of producers located in these specified counties deliver milk, not to either type of plant in these counties, but directly to pasteurizing and bottling plants located in or much closer to the metropolitan consuming center. The opportunity afforded these nearby producers to deliver their milk directly into the 1-10-mile zone has an impact on the location value of their milk when delivered to plants located nearer to their farms. In effect, at the transportation differential rates herein provided and at the present direct delivery differential rates, producers delivering to plants in the 31-50-mile zone have from 13.6 to 14.8 cents, and those in the 51-70-mile zone have from 16 to 17.2 cents, to cover the cost of hauling their milk to a

plant in the 1-10-mile zone rather than to a plant in the same zone as the farm. As previously found herein, no significant shift in point of delivery has occurred thus far at the present rates. Revision of transportation differentials as herein provided, will result in a price at a plant in the 51-60-mile zone one cent higher than at present, relative to the 1-10-mile zone price but three cents lower than at present relative to the 201-210-mile zone price.

Although the fact that some milk subject to direct delivery differentials is received at plants not engaged in pasteurizing and bottling is again found not to justify a different differential rate for such plants, there is the question of the extent to which the type of facilities currently utilized appropriately may be recognized in establishing the rate applicable at all plants similarly located. All plants inside the 30-mile zone receiving milk from producers are pasteurizing and bottling plants. In the 31-40-mile zone, there are 26 plants receiving milk from producers and only 4 of these operate only as receiving and bulk shipping plants. Corresponding figures for the 41-50-mile zone are 37 and 13; for the 51-60-mile zone, 28 and 5; for the 61-70-mile zone, 7 and 3, and for the 71-80-mile zone, 5 and none. The volume at plants not engaged in pasteurizing averages larger with the result that at least 50 percent of all milk received from producers at plants both in the 31-50-mile zone and in the 51-70-mile zone is received at plants not engaged in pasteurizing and bottling.

However, recognition also must be given to the opportunity afforded producers located in these nearby zones of delivering their milk to pasteurizing and bottling plants located either in an outlying zone or within the 1-10-mile zone. The rates by zones outside the 1-10-mile zone also must bear a relationship to the 1-10-mile zone rate which recognizes hauling costs of farm to plant hauls somewhat higher than cost variations reflected in transportation differentials based on hauling costs in large tank trucks. Moreover, as previously indicated, there has been no significant shift in points of delivery as would be expected if the variation in rates by zones did not constitute a substantial reflection of true location values. Accordingly, the present variation in zone rates is found to give as much recognition to the type of handling facilities currently employed as is appropriate, and otherwise properly to reflect the location value of milk in the respective zones.

As previously indicated herein, it is concluded that provisions of the order for payment of direct delivery differentials at the presently specified locations in Upstate New York also should be continued. The payment of such differentials presently is required at plants in and around Syracuse and the Capital district. The present rate is 5 cents except for about two-thirds of the milk in the Capital district on which the rate is 10 cents.

It was found in the decision of June 10, 1957, that analysis of the premiums paid by local distributors in upstate areas

before extension of the marketing area indicated that such premiums (1) varied rather widely both among districts and among dealers in the same district, (2) were influenced by a wide variety of factors, (3) appeared to be paid in amounts necessary to provide the dealer with the particular milk best suited to his needs and (4) probably would continue to be paid following extension of regulation to those areas. It was concluded in that decision (and effectuated in amendments effective August 1, 1957) that provision should be made for direct delivery differentials in the Capital and Syracuse districts "in order to insure an orderly transition from nonregulated to regulated status."

Evidence in the record of this hearing indicates that an orderly transition to a regulated status is taking place and that, as anticipated, the payment by local dealers of premiums over minimum order prices has continued. In the months of August 1957, November 1957 and March 1958, premiums over minimum order prices averaged about 8 cents in Syracuse, 7 cents in the 5-cent part of the Capital district and 2 cents in the 10-cent part of the Capital district. Such premiums varied over a wide range to as high as 81 cents. By and large, however, the factors and conditions previously found to justify the payment of direct delivery differentials in the specified upstate areas are found on the record of this hearing to continue to exist, thus justifying continuation of such provisions, at least for the present, in order to insure payments to producers properly reflecting the location value of their milk.

It is recognized that, unlike the situation in Metropolitan New York-New Jersey, pasteurizing and bottling plants in upstate areas are so located that the volume of milk available from the production of nearby farms is more than sufficient to meet the entire requirements of such plants with the excess supply over such requirements remaining for delivery to nearby country plants. Under such circumstances, country plant milk is not an economical alternative source of supply in most instances, and the location value of direct delivered milk is less than in the metropolitan area. However, additional services provided and costs incurred by producers in delivery of their milk to pasteurizing and bottling plants represent values properly to be reflected in minimum prices established under the order.

In addition to proposals for complete elimination of direct delivery differentials in the upstate areas (to which the immediately preceding findings relate), other proposals were made by two cooperative associations of producers handling milk in upstate areas which is subject to direct delivery differentials but which is used partially for distribution upstate and partially shipped to the metropolitan area. Such proposals were that the differential either be eliminated on all or a part of such milk or that it be paid out of the pool rather than by the handler receiving the milk. The evidence submitted on these proposals, however, does not provide a basis for their adoption. The location of the

plants involved justifies the payment of direct delivery differentials at such plants the same as to other plants similarly located irrespective of how such milk is utilized.

Proposals to require the payment of direct delivery differentials in additional upstate areas were not supported by evidence justifying their adoption or not considered in the prior decision. No evidence was presented showing a need for such differentials in areas where they presently are not required.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the request to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order amending the order. The following order amending the order regulating the handling of milk in the New York-New Jersey milk marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The

recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

Amendments. 1. Amend § 927.42 by deleting transportation differential rates set forth in Column B of the schedule therein and by substituting the following new rates in Column B:

A	B
Freight zone	Classes I-A, I-B and skim milk subject to the fluid skim differential
Miles:	Cents per hundredweight
1-10.....	+24.0
11-20.....	+22.8
21-25.....	+21.6
26-30.....	+21.6
31-40.....	+20.4
41-50.....	+19.2
51-60.....	+18.0
61-70.....	+16.8
71-75.....	+15.6
76-80.....	+15.6
81-90.....	+14.4
91-100.....	+13.2
101-110.....	+12.0
111-120.....	+10.8
121-125.....	+9.6
126-130.....	+9.6
131-140.....	+8.4
141-150.....	+7.2
151-160.....	+6.0
161-170.....	+4.8
171-175.....	+3.6
176-180.....	+3.6
181-190.....	+2.4
191-200.....	+1.2
201-210.....	+0.0
211-220.....	-1.2
221-225.....	-2.4
226-230.....	-2.4
231-240.....	-3.6
241-250.....	-4.8
251-260.....	-6.0
261-270.....	-7.2
271-275.....	-8.4
276-280.....	-8.4
281-290.....	-9.6
291-300.....	-10.8
301-310.....	-12.0
311-320.....	-13.2
321-325.....	-14.4
326-330.....	-14.4
331-340.....	-15.6
341-350.....	-16.8
351-360.....	-18.0
361-370.....	-19.2
371-375.....	-20.4
376-380.....	-20.4
381-390.....	-21.6
391-400.....	-22.8
401 and over.....	-24.0

Issued at Washington, D.C., this 8th day of April 1959.

[SEAL] ROY W. LENNARTSON,
Deputy Administrator.

[F.R. Doc. 59-3050; Filed, Apr. 10, 1959;
8:46 a.m.]

Agricultural Research Service

[7 CFR Part 362]

LABELING OF MINERAL OIL-PYRETHRUM AND SIMILAR CONTACT HOUSEHOLD FLY-SPRAYS

Notice of Proposed Revision of Interpretation 15 Under the Federal Insecticide, Fungicide, and Rodenticide Act

Since the issuance of Interpretation 15 with respect to labeling of mineral oil-pyrethrum and similar contact house-

hold fly sprays (7 CFR 362.113), the marketing of new pesticides and changes in the production, use and requirements as to the use, of household fly sprays have rendered this interpretation obsolete. It is felt that the interpretation with respect to these products should be revised in order to provide the industry with information concerning current labeling requirements and to cover the new products of a similar nature which are now being marketed.

The variety of the new pesticides which have been introduced for household use and the extent and variety of the requirements as to their use have raised a number of complex labeling problems. Recognizing the scope of these problems, the Department of Agriculture desires to obtain the views of the household pesticide industry relative to the labeling of its products prior to publication of a revision of Interpretation 15.

Therefore, notice is hereby given that the Department is considering the revision of Interpretation 15 with respect to labeling of mineral oil-pyrethrum and similar contact household fly sprays, to read as follows:

§ 362.113 Interpretation with respect to liquid and pressurized household insecticides acceptable for generalized application (primarily non-deposit forming).

(a) **Composition.** These products are ordinarily marketed as solutions, emulsions, suspensions, or pressurized products and are designed for use in undiluted form by the consumer. In a few cases, concentrated products requiring dilution are marketed. These products usually have a petroleum distillate base, together with such auxiliary solvents as may be necessary to keep the formulation as a solution under conditions of relatively low temperature. Water is sometimes used in the liquid formulations. Auxiliary solvents such as methylated naphthalenes, methylated aromatic petroleum solvents, and methylene chloride are frequently used, although the latter is more common in pressurized products. The propellants commonly encountered are known as Propellant 11 (trichloro monofluoro methane) and Propellant 12 (dichloro difluoro methane). Propellant 12 may be used alone or in various proportions with Propellant 11, methylene chloride, or methyl chloroform. This interpretation is not intended to cover products intended primarily to be used in such a manner as to deposit substantial quantities of insecticides on treated surfaces.

(b) **Acceptable ingredients.** The following chemicals are frequently encountered in household-type insecticides of this class. The percentage figures given are the maximums which are ordinarily encountered in this class of products. An asterisk indicates that the percentage specified is the maximum being accepted. All percentage figures are expressed in terms of weight. Ingredient statement requirements are discussed in in paragraph (c) of this section.

Pesticidal chemical	Percent- age in liquid space and contact sprays	Percent- age in aerosol mist sprays
Allethrin (allyl homolog of cinerin I) --%	0.5	0.6
Beta-butoxy-beta'-thiocyanodithiethyl ether --% (Lethane 384)---	13.5	14.0
Beta-thiocyanodithiethyl esters of mixed fatty acids containing 10 to 18 carbon atoms --%. Beta-butoxy-beta'-thiocyanodithiethyl ether --% (Lethane 384 Special)---	13.5	11.0
Butoxypropylene glycol --%	10.0	5.0
Dichloro diphenyl dichloroethane --% (TDE)---	6.0	None
Dichloro diphenyl trichloroethane --% (DDT)---	6.0	5.0
Diethyl diphenyl dichloroethane for 1,2-dichloro-2,2-bis(4-ethylphenyl) ethane) --% (95% of the total amount of technical ingredient present). Related compounds --% (5% of the total amount of technical ingredient present) (Perthane).	5.0	3.0
Gamma isomer of benzene hexachloride from lindane --%	0.1	None
Isobornyl thiocyanacetate --% (82% of the total amount of technical ingredient present). Related compounds --% (18% of the total amount of technical ingredient present) (Thanite)---	3.5	3.0
Malathion --% ²	2.0	5.0
Pyrethrins --%	0.2	0.6
Rotenone --% (Usually "Other Cube Resins," another active ingredient, is also present in formulations containing this ingredient)---	0.1	0.33
Technical methoxychlor --% ³	5.0	3.0
Terpenepolychlorinates (68% chlorine) --% and an additional statement: "Chlorinated Camphene, Pinene, and Related Terpenes," (Strobane)---	2.0	2.5
Toxaphene --% ⁴	5.0	2.5
Synergists		
Di-n-propyl maleate isosafrole condensate --% (Propyl isomer)---	2.0	2.0
N-octyl-bicycloheptene dicarboximide --%	2.5	2.0
Octyl sulfide of isosafrole --% (Sulfide)---	2.0	4.0
Sesame oil extractives --% ⁵	1.5	8.0
Technical piperonyl butoxide --% ⁶	1.5	2.0

¹ Thiocyanate.² O,O-dimethyl dithiophosphate of diethylmercaptosuccinate.³ Equivalent to --% (88% of the first percentage) 2,2-bis(p-methoxyphenyl) 1,1,1-trichloroethane and --% (12% of the first percentage) other isomers and reaction products.⁴ Technical chlorinated camphene (97% to 69% chlorine).⁵ Containing sesamin --%.⁶ Equivalent to --% (80% of the first percentage) (butylcarbityl) (6-propylpiperonyl) ether and --% related compounds (20% of the first percentage).

These products frequently contain a combination of pesticidal ingredients, together with synergized pyrethrins and thiocyanates. These ingredients may be used in any combinations desired except that when combinations of phosphates or chlorinated hydrocarbons are proposed, concentrations of these ingredients should be proportionately reduced. The following is illustrative of a mixture of DDT and malathion which would be acceptable:

Insecticidal mixture:	Maximum percentage by weight in liquid products
DDT-----	3 percent.
plus-----	plus.
Malathion-----	1 percent.

This illustration is based on a maximum concentration of 6 percent of DDT and 2 percent malathion. Each is re-

duced 50 percent in the final formulation. A finished liquid formulation containing 1.0 percent malathion plus 1.5 percent DDT would also be accepted. There would be no objection to any separately acceptable amounts of the thiocyanates or synergized pyrethrins being added to a liquid formulation. Mixtures of phosphates or chlorinated hydrocarbons other than DDT and methoxychlor are not commonly encountered in pressurized products.

(c) *Ingredient statement.* The following form of ingredient statement would fulfill legal requirements for a hypothetical liquid mixture containing pyrethrins, petroleum distillate, piperonyl butoxide, perthane, and malathion:

Active ingredients:	Percent
Pyrethrins -----	-----
Malathion ¹ -----	-----
Technical piperonyl butoxide ² -----	-----
Diethyl diphenyl dichloro ethane -----	-----
Petroleum distillate -----	-----
Total-----	100

¹ O,O-dimethyl dithiophosphate of diethylmercaptosuccinate.

² Equivalent to -- percent (butyl carbityl) (6 propyl piperonyl) ether and -- percent related compounds.

The correct figures should, of course, be entered in the blank spaces. As an alternative, the names of the ingredients may be listed in the descending order of their respective percentages. In such cases the heading "Active Ingredients 100%" should be used. The term "100%" may be omitted when the actual percentage figures are given for each active ingredient. An illustration of this alternative form of ingredient statement appears elsewhere for a hypothetical pressurized formulation.

The following form of ingredient statement would fulfill legal requirements for a pressurized product containing pyrethrins, piperonyl butoxide, and DDT:

Active ingredients:	Percent
Pyrethrins -----	-----
Technical piperonyl butoxide ¹ -----	-----
Dichloro diphenyl trichloroethane -----	-----
Petroleum distillate -----	-----
Inert ingredients -----	-----
Total-----	100

¹ Equivalent to -- percent (butyl carbityl) (6 propyl piperonyl) ether and -- percent related compounds

Active ingredients:	Percent
Petroleum distillate -----	-----
Dichloro diphenyl trichloroethane -----	-----
Technical piperonyl butoxide ¹ -----	-----
Pyrethrins -----	-----
Inert ingredients:	
Methylene chloride -----	-----
Dichloro difluoro methane -----	-----

¹ Consists of (butyl carbityl) (6 propyl piperonyl) ether and related compounds

In all cases, the correct percentages should be entered in the blank spaces. The tabulation of pesticidal chemicals appearing in paragraph (b) of this section gives appropriate suggestions for the naming of ingredients. Except for explanatory parenthetical wording, the information given in paragraph (b) of this section is suitable for use in label ingredient statements. Interpretation 5

gives further information on the preparation of correct ingredient statements. The ingredient statement should in all cases accurately reflect the complete composition of the product. The names given for the various ingredients must be the common names, if they have common names. Otherwise, the chemical names as specified above should be used. Trade-marked names should not be used in the ingredient statement.

(d) *Basic insecticidal value.* (1) *Petroleum distillate sprays.* Liquid spray products of this class should have as a minimum the insecticidal value of a petroleum distillate solution of pyrethrin containing 108.5 mg. of this ingredient per 100 cc. of solution. For practical purposes, this reference standard should have the same biological value as the current Official Test Insecticide which is prepared and distributed under the supervision of the Chemical Specialties Manufacturers Association, 50 East 41st Street, New York 17, New York. Any testing procedure which accurately compares the toxicity of the standard mixture to the liquid product being evaluated will be considered. For practical purposes, the testing procedures published as "The Pest-Grady Method" and the "Cockroach Spray Test Method" by the above-mentioned association will be considered as satisfactory for flies and roaches, respectively. These methods will not be regarded as interchangeable, since they only evaluate the comparative toxicity of liquid insecticides against the pests named. These methods are given in the 1958 edition of the Blue Book and Catalogue edition of Soap and Chemical Specialties, published by the MacNair-Dorland Company, 254 West 31st Street, New York City. These testing procedures may not be considered as adequate or applicable when new or unusual pesticidal chemicals are included in the formulation or if claims and directions for killing insects other than roaches or flies are proposed. If such products are intended to be used for killing household pests other than flies or roaches, special attention will be given to assessing the toxicity of the pesticide for the purposes which are proposed. Full information on the proposed claims and directions should be submitted in each case. It will be necessary for the applicant to submit data to establish the safety of any new or unusual chemical or pesticidal treatment that is proposed. It is the usual practice to consult with the Public Health Service of the Department of Health, Education, and Welfare on such matters.

(2) *Aerosol-type products.* Pressurized formulations classified as "aerosols" are usually marketed in dispensers ranging from a few ounces to 5 pounds. However, most of the items designed for mass distribution are packaged in sizes of 12 ounces and 16 ounces. These products contain 80 percent or 85 percent of propellant gas, as a combination of Propellant 11 and Propellant 12. Methylene chloride or methyl chloroform is frequently substituted in whole or in part for Propellant 11. As a minimum, these products should have the knockdown and insecticidal value of a product containing 85 percent of a 50-50 mixture of

Propellant 11 and Propellant 12, and 15 percent of petroleum solvent containing sufficient pyrethrum extract and DDT to yield 0.4 percent pyrethrins and 2 percent DDT in the total formulation. As a practical matter, the reference standard should have the same biological value as the current Official Test Aerosol dispenser of the Chemical Specialties Manufacturers Association. These dispensers may be obtained from the Association at 50 East 41st Street, New York 17, New York. Any testing procedure which accurately compares the knockdown and toxicity of the test aerosol with the reference standard will be considered. However, the official method of the Association, published in the 1958 edition of the Blue Book and Catalogue, as previously noted, will be accepted, provided the results demonstrate that the product is no less effective in 5-minute, 10-minute and 15-minute knockdown and 24-hour mortality intervals than the comparison formulation when tested against house flies at the same dosage or less. The spray from aerosol dispensers should be in a finely divided form, in which 80 percent or more of the individual spray particles have a mean diameter of 30 microns or less and none of the spray particles have a diameter of more than 50 microns. Products which do not have the necessary biological activity when tested by the specified methods or which dispense a coarser type spray, should not be represented as being "aerosols." This method of testing may not be considered as adequate if claims and directions for killing insects other than flies are proposed or if new or unusual ingredients or insecticidal usage are involved. Full information on the proposed claims and directions should be filed in all such cases. It will be necessary for the applicant to submit data to establish the safety of any new or unusual chemical ingredient or pesticidal treatment that is proposed. It is the usual practice to also consult with the Public Health Service of the Department of Health, Education, and Welfare on such matters.

(3) *Pressurized space and contact sprays.* Products of this class are less common, and differ from the aerosol-type products in that their biological performance is of a lower order and usually somewhat slower in effect on the insects which are sprayed. These products deliver mist sprays intermediate between aerosol-type sprays and those which are intended to deposit an insecticidal residue of a chemical. They should have the biological performance of the reference standard specified for the aerosol-type product when a dosage of no more than twice that used for the same reference standard has been applied. Also, for these purposes the testing procedure may be modified to omit comparisons of the knockdown at the 5-minute and 10-minute intervals. The comparisons in such cases will be only at the 15-minute knockdown and 24-hour mortality intervals. The product will be regarded as having sufficient insecticidal value if the average 15-minute knockdown and 24-hour mortality figures are no more than 5 percentage points under the compa-

table figures for the reference product. If claims and directions for killing insects other than flies are included, or if new or unusual chemicals are included in the formulation, individual consideration will be given to the proposed claims and directions on a separate basis. It will, of course, be necessary to submit data to establish the safety of any new or unusual ingredient or pesticidal usage. It is the usual practice to also consult with the Public Health Service of the Department of Health, Education, and Welfare on such matters.

(e) *Directions for use—(1) General.* In all cases, the labeling should bear adequate directions for use against all of the insects named in the labeling. Although these products are commonly referred to as "fly sprays," "aerosols," or "pressurized products," they are usually recommended for use against a number of household insects, including house flies, mosquitoes, roaches (water bugs), bed bugs, ants, carpet beetles, brown dog ticks, and clothes moths. These products are primarily contact insecticides and in order to be effective must hit or wet the individual insect with the spray mist. Since the habits and life cycles of different insect pests vary considerably, the directions must in each case be adopted to the particular variety of insect which is causing annoyance and the type of structure or building in which it is used.

(2) *Particular insects—(i) Flies and mosquitoes.* Directions for use against these pests should provide for closing the doors and windows and thoroughly spraying all parts of the room, particularly toward the ceiling, so as to fill the room with a fine mist. The room should be kept closed for 10 to 15 minutes and the fallen insects swept up and destroyed. However, when strong formulations are used, containing substantial amounts of rapidly acting paralytic agents, it is simply necessary to ascertain that the various insects have been thoroughly enveloped in the spray mist. Pressurized aerosol formulations and pressurized sprays may also be used in a manner quite similar to the liquid products. Dosages of aerosol and pressurized formulations are sometimes expressed in terms of seconds of discharge with appropriate adjustments for low and high delivery rate dispensers. These dosages usually are in the range of 4 to 5 grams of aerosol mixture in mist form per 1000 cubic feet of space.

(ii) *Household ants and roaches.* The directions for use against these pests should provide for thorough spraying into all parts of the room suspected of harboring these pests. Special attention should be paid to cracks and hidden surfaces around sinks or food storage areas where these insects may be hiding. It is necessary in all cases that the insects be contacted directly with the spray. Treatment around doors and windows is desirable in connection with directions for use against ants. Pressurized formulations may also be used, but since liberality of application is essential, small pressurized dispensers may not give as good results in some cases. Repeated applications should be specified in all

cases. Special care should be taken to use these products in such a manner that food and food utensils will not be contaminated. If any spray contaminates cooking utensils, silverware, or dishes, they should be thoroughly cleaned.

(iii) *Bed bugs.* The directions for use against these pests should provide for thorough spraying of the bed, the springs, and the mattress, as well as the baseboards and wall cracks about the bedroom. Repeated applications are usually necessary for good results against these pests. In the case of malathion, the only formulation involved is a 1 percent spray, which in any case is to be applied lightly to the mattress.

(iv) *Clothes moths and carpet beetles.* The directions for use against these pests should provide for cleaning all articles to be protected and for thorough spraying, particularly of seams and folds. The interior of trunks, closets, cupboards, and other storage containers should also be thoroughly sprayed. Unless the sprayed articles are to be stored immediately in moth-tight containers, the directions should provide for repeating the treatment at least once a month. In the case of upholstered furniture, the directions should provide for spraying the interior of the furniture, as well as the outer surfaces, unless the furniture can be fumigated to kill any hidden infestation of these pests. Rugs and carpets that are to be treated may also be sprayed not only on the top surfaces, but also on the under side. However, when carpet beetles are a serious problem, it is usually desirable to use a residual type insecticidal treatment. Pressurized products, including aerosols, may be used on the same terms, but are less suitable, since small dispensers do not ordinarily permit the liberality of treatment which is usually necessary for good results.

(v) *Fleas and brown dog ticks in buildings.* Directions for use against these pests should provide for liberal applications to floor areas, cracks and crevices, sleeping quarters of animals, behind pictures, and wherever these insects may be suspected of harboring. Liberal and repeated applications directly to the individual pests are desirable in all cases.

(f) *Caution and warning statements.* All economic poisons are required to bear warning or caution statements which are necessary to protect the public from injury, and acceptable directions for use must be consistent with these requirements. These cautions and directions are quite variable, depending on the composition of the product and the manner of use which is intended. The detailed precautions, especially for operator protection during use of most of the various pesticidal ingredients, are given in the current revision of Interpretation 18. Cautions to protect food and food handling utensils from contamination are often required and are appropriate in any case. These products should ordinarily be kept out of reach of children and pets. In all cases where petroleum distillate or other flammable formulations are involved, warning against spraying in the presence of open flame or sparks is required.

(g) *Deterioration.* Petroleum distillate sprays containing pyrethrins, if exposed too long to light in ordinary glass bottles, or stored for long periods of time, may lose their efficiency due to deterioration of the active ingredients. Also, certain types of packaging may permit deterioration. All products should maintain their active ingredients at the levels declared on the label and represented at the time of registration as long as they remain in unbroken containers in channels of trade.

(h) *Grade classification.* The grade classifications given in Commercial Standard CS 72-54 apply to liquid fly sprays and should be used only to classify such products. If a claim for grade classification is made for a fly spray, it should be only such a grade as may be fully justified by the killing, action and knockdown effect of the product when tested against house flies. Except for fly sprays, there is no generally recognized grade classification for household insecticides and no such claims should be made other than for fly sprays.

(i) *Unwarranted claims.* These products are not effective against all household insects, and claims for effectiveness against insects generally or all insects, are unwarranted and should not be made. These products, as customarily marketed, are not effective against termites and cannot be relied upon to kill any insect which cannot be reached directly by the spray. This applies also to the eggs of many insects, which are often placed in inaccessible cracks or hidden surfaces. Claims for extermination are not warranted and should not be made. Products of this type are injurious under certain conditions to both men and animals and may contaminate food when improperly used. Therefore, their labels must ordinarily not bear any unqualified claims such as "Non-Toxic," "Non-Poisonous," "Non-Injurious," or "Harmless to Man and Animals." Such products are of no value in disinfecting and will not prevent diseases, and claims to that effect should not be made.

(j) *Registration.* All applications for registration should include duplicate copies of all labels, circulars, or other literature which may be associated with or accompany the product at any time as long as it remains in unbroken packages in channels of trade. Complete information concerning the composition of the product should also be furnished with the application. If the product does not conform to a conventional pattern of pesticidal usage against household pests, data should be furnished to demonstrate the practical value of the product for the various pests which are named in the labeling. Consultation with applicants is solicited at all times, in order to eliminate possible misunderstanding.

All persons who desire to submit written data, views, or arguments in connection with this matter should file the same with the Director, Plant Pest Control Division, Agricultural Research Service, United States Department of Agriculture, Washington 25, D.C., within

thirty days from the date of publication of this notice in the FEDERAL REGISTER.

Done at Washington, D.C. this 8th day of April 1959.

[SEAL]

L. F. CURL,
Acting Director,
Plant Pest Control Division.

[F.R. Doc. 59-3064; Filed, Apr. 10, 1959;
8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Social Security Administration

[20 CFR Part 401]

DISCLOSURE OF OFFICIAL RECORDS AND INFORMATION

Payment for Furnishing Information

Notice is hereby given, pursuant to the Administrative Procedure Act approved June 11, 1946, that the amendment to regulation set forth in tentative form below is proposed by the Commissioner of Social Security, with the approval of the Secretary of Health, Education, and Welfare, as an amendment to present Social Security Administration Regulation No. 1 as amended (20 CFR 401.1 et seq.). It is proposed to amend the existing regulation, effective July 1, 1959, by requiring payment for information furnished to the United States Department of the Treasury for use in connection with the administration of, or investigations or prosecutions involving violations of, any Federal income tax law.

Prior to the final adoption of the proposed amendment, consideration will be given to any data, views, or arguments pertaining thereto which are submitted

in writing in duplicate to the Commissioner of Social Security, Department of Health, Education, and Welfare, at the Health, Education, and Welfare Building, Fourth and Independence Avenue SW., Washington 25, D.C., within a period of 30 days from the date of publication of this notice in the FEDERAL REGISTER.

The proposed amendments are to be issued under the authority contained in sections 205(a), 1102, and 1106 of the Social Security Act, 53 Stat. 1368 as amended, 49 Stat. 647 as amended, 64 Stat. 559, and section 5 of Reorganization Plan No. 1 of 1953, 67 Stat. 18.

Approved: March 31, 1959.

[SEAL] GEORGE K. WYMAN,
Acting Commissioner
of Social Security.

ARTHUR S. FLEMMING,
Secretary of Health, Education,
and Welfare.

APRIL 6, 1959.

§ 401.6 Payment for information in specific cases.

(b) When the request is made by (1) the Department of Justice of the United States for any purpose specified in § 401.3 (d) or (i), or (2) the Treasury Department of the United States for any purpose specified in § 401.3 (d) or (i), other than for the purpose of administration of, or the purpose of an investigation or prosecution involving an inquiry to determine whether there has been a violation of, a Federal income tax law or any regulation or procedure in effect thereunder, the information shall be furnished without charge.

[F.R. Doc. 59-3044; Filed, April 10, 1959;
8:45 a.m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Office of the Secretary

GREAT PLAINS AREA OF THE TEN GREAT PLAINS STATES

Designation of Counties Where the Great Plains Conservation Program Is Specifically Applicable

For the purpose of making contracts based upon an approved plan of farming operations pursuant to the Act of August 7, 1956 (70 Stat. 1115-1117), the following counties of the following States are designated as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors.

KANSAS

Barber. Reno.
Harper. Rice.
Kiowa.

SOUTH DAKOTA

Harding. Washabaugh.
Jackson.

TEXAS

Callahan. Coleman.

Done at Washington, D.C., this 8th day of April 1959.

[SEAL] E. L. PETERSON,
Assistant Secretary.

[F.R. Doc. 59-3051; Filed, Apr. 10, 1959;
8:46 a.m.]

DEPARTMENT OF COMMERCE

Bureau of Foreign Commerce

[File 23-615]

ALF TOMSEN & CO.

Order Further Extending Order Temporarily Denying Export Privileges

In the matter of Alf Tomsen & Co., Warburgstrasse 33, Hamburg 36, Federal Republic of Germany, File 23-615, respondent.

An order heretofore having been made denying temporarily to the respondent,

Alf Tomsen & Co., all privileges of participating in exportations from the United States (24 F.R. 438, Jan. 17, 1959), which order was extended by an order dated February 13, 1959 (24 F.R. 1292, Feb. 19, 1959) denying, at the same time, an application by Alf Tomsen & Co. for an order vacating the said order of temporary denial;

And the Director of the Investigation Staff, Bureau of Foreign Commerce, having applied for a further extension of said denial order, which application the Compliance Commissioner has recommended be granted;

Now, after careful consideration of the record herein, and having concluded that the continued denial of export privileges to the respondent and parties related to it is reasonably necessary to protect the public interest, it is, this 3d day of April 1959, hereby ordered: That the order of January 14, 1959, denying to the respondent all privileges of participating in exportations from the United States be and the same hereby is further extended to and including the 4th day of May 1959.

JOHN C. BORTON,
Director,
Office of Export Supply.

[F.R. Doc. 59-3056; Filed, Apr. 10, 1959;
8:47 a.m.]

Office of the Secretary
WINSTON SCOTT

Report of Appointment and Statement
of Financial Interests

Report of appointment and statement of financial interests required by section 710(b) (6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Mr. Winston Scott.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: March 27, 1959.
4. Title of position: Consultant (Advisor to Director).
5. Name of private employer: Rayonier Inc., Shelton, Washington.

CARLTON HAYWARD,
Director of Personnel.

MARCH 26, 1959.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Rayonier Incorporated.
Public Service Underwriters—Seattle.
Western Minerals.
Washelli Columbarium Corp.—Seattle.
Abbey View Memorial Park—Seattle.
Bank account.

WINSTON SCOTT.

MARCH 31, 1959.

[F.R. Doc. 59-3054; Filed, Apr. 10, 1959;
8:46 a.m.]

DEPARTMENT OF DEFENSE

Department of the Army

WILLIAM J. RUSHTON

Statement of Change in Financial
Interests

In accordance with the requirements of section 710(b) of the Defense Production Act of 1950, as amended, and Executive Order No. 10647 of November 28, 1955, the following changes have taken place as of March 29, 1959, in my financial interests as reported in the FEDERAL REGISTER, October 21, 1958.

- A. Deletions: none.
B. Additions: none.

Dated: March 29, 1959.

WILLIAM J. RUSHTON.

[F.R. Doc. 59-3039; Filed, Apr. 10, 1959;
8:45 a.m.]

FEDERAL COMMUNICATIONS
COMMISSION

[Docket No. 10854 etc.; FCC 59-289]

BISCAYNE TELEVISION CORP. ET AL.

Order Reopening Record for Further
Hearing on Stated Issues

In re applications of Biscayne Television Corporation, Miami, Florida, Docket No. 10854, File No. BPCT-1453; East Coast Television Corporation, Miami, Florida, Docket No. 10856, File No. BPCT-1612; South Florida Television Corporation, Miami, Florida, Docket No. 10857, File No. BPCT-1806; Sunbeam Television Corporation, Miami, Florida, Docket No. 10858, File No. BPCT-1816; for construction permits for new television broadcast stations (Channel 7).

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 3d day of April 1959;

The Commission having notice of so much of the proceedings of the session of June 2, 1958, of the Subcommittee on Legislative Oversight, Committee on Interstate and Foreign Commerce, House of Representatives (Legislative Oversight Committee), as related to the question of possible ex parte representations made during the course of the above-entitled proceeding;

It appearing that the record of the Legislative Oversight Committee with respect to the matter of ex parte representations raises questions with respect to whether the award heretofore made

may be void ab initio or voidable, and whether a party or parties to the proceeding may be disqualified by reason of misconduct to receive an award of a television construction permit:

It is ordered, That the record in this proceeding is reopened and further hearing shall be held before a Hearing Examiner to be subsequently assigned on the following issues:¹

1. To determine whether any of the members of the Commission who participated should have disqualified himself from voting in the proceedings before the Commission which resulted in the award of a construction permit for a television station on Channel 7 in Miami.

2. To determine whether any person or persons influenced or attempted to influence any member of the Commission with respect to the proceedings resulting in the award of the construction permit for Channel 7, Miami, in any manner whatsoever except by the recognized and public processes of adjudication.

3. To determine whether any party to the proceedings before the Commission which resulted in the award of the construction permit for Channel 7 in Miami directly or indirectly secured, aided, confirmed, ratified, or knew of any misconduct or improprieties in connection with the proceedings.

4. To determine, in the light of the facts adduced upon the foregoing issues, whether the grant heretofore made of a construction permit for Channel 7, Miami, was void ab initio and if not, whether such grant is voidable and action should be taken to set it aside; whether any of the applicants in this proceeding was and is disqualified to receive a grant of its application; and whether the conduct of any applicant, if not of a disqualifying character, has been such as to reflect adversely upon such applicant from a comparative standpoint.

It is further ordered, That the further hearing herein shall be held in the city of Washington, District of Columbia, commencing on a date to be fixed by the presiding officer, with a prehearing conference; and that upon petition therefore filed with the Commission, consideration will be given to the holding of hearing sessions at locations other than that specified herein; and

It is further ordered, That all parties to this proceeding before the Commission, namely, Biscayne Television Corporation, East Coast Television Corporation, South Florida Television Corporation, and Sunbeam Television Corporation, shall be admitted to participate as parties if they so request, and that any person or persons concerning whom evidence may be received in the said hearing shall be permitted to cross-examine and to submit rebuttal testimony if he or they request the opportunity to do so; and

¹ The petitions for reconsideration and rehearing filed by East Coast Television Corporation, South Florida Television Corporation and Gerico Investment Company in the above-entitled matter will be held in abeyance pending the Commission's decision in the present proceeding.

It is further ordered, That the presiding officer shall permit the Attorney General of the United States or his designated representative, upon request made, to participate in the hearing as amicus curiae; and

It is further ordered, That the proceeding ordered herein shall not commence until it has been presented to the United States Court of Appeals for the District of Columbia Circuit for its information and any action deemed necessary in view of the provisions of 47 U.S.C. 402(h).

Released: April 7, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 59-3058; Filed, Apr. 10, 1959;
8:47 a.m.]

[Docket No. 12751; FCC 59M-435]

MALRITE BROADCASTING CO.

Order Continuing Hearing

In re application of Milton Maltz and Robert Wright, d/b as Malrite Broadcasting Co., Tiffin, Ohio, Docket No. 12751, File No. BP-11448; for construction permit.

Pursuant to prehearing conference held in the above-entitled proceeding on this date: *It is ordered,* This 3d day of April 1959, that the hearing herein, which is presently scheduled for April 8, 1959, be, and the same is hereby, continued to April 30, 1959, at 2:00 o'clock p.m. in the offices of the Commission, Washington, D.C.

Released: April 6, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 59-3059; Filed, Apr. 10, 1959;
8:47 a.m.]

[Docket Nos. 12814, 12815; FCC 59M-444]

VOICE OF THE NEW SOUTH, INC. (WNSL) AND SOUTHLAND BROADCASTING CO. (WLAU)

Order Scheduling Prehearing Conference

In re applications of Voice of the New South, Inc. (WNSL), Laurel, Mississippi, Docket No. 12814, File No. BP-11916; Southland Broadcasting Company (WLAU), Laurel, Mississippi, Docket No. 12815, File No. BP-8053; for construction permits for standard broadcast stations.

On the Examiner's own motion: *It is ordered,* This 6th day of April 1959, that all parties, or their counsel, in the above-entitled proceeding are directed to appear for a prehearing conference pursuant to the provisions of § 1.111 of the Commission's rules, at 10:00 o'clock a.m., on April 24, 1959, in the offices of the Commission, Washington, D.C.

No. 71—3

The prehearing conference will be concerned with the pertinent topics specified in § 1.111 of the rules and such other matters as will be conducive to an expeditious conduct of the hearing. In this connection, attention is also called to the provisions of the Commission's Hearing Manual for Comparative Broadcast Proceedings.

Released: April 7, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 59-3060; Filed, Apr. 10, 1959;
8:47 a.m.]

[Docket Nos. 12817, 12818; FCC 59M-452]

WSC BROADCASTING CO. AND PARADISE BROADCASTERS

Order Scheduling Hearing

In re applications of WSC Broadcasting Company, Chico, California, Docket No. 12817, File No. BP-11718; Douglas F. Mariska & Howard T. Churchill, d/b as Paradise Broadcasters, Paradise, California, Docket No. 12818, File No. BP-12094; for construction permits.

It is ordered, This 7th day of April 1959, that Jay A. Kyle will preside at the hearing in the above-entitled proceeding which is hereby scheduled to commence on June 3, 1959, in Washington, D.C.

Released: April 8, 1959.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] MARY JANE MORRIS,
Secretary.

[F.R. Doc. 59-3061; Filed, Apr. 10, 1959;
8:47 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-128]

TEXAS AGRICULTURAL AND MECHANICAL COLLEGE SYSTEM

Notice of Application for Utilization Facility License

Please take notice that The Texas Agricultural and Mechanical College System, under section 104c of the Atomic Energy Act of 1954, has submitted an application for license authorizing construction and operation of a 100-kilowatt (thermal), pool-type research reactor on its campus at College Station, Texas. The reactor will be constructed by Convair, a division of General Dynamics Corporation, under contract with the applicant. A copy of the application is available for public inspection in the AEC Public Document Room, located at 1717 H Street NW., Washington, D.C.

Dated at Germantown, Md., this 3d day of April 1959.

For the Atomic Energy Commission.

H. L. PRICE,
Director, Division of
Licensing and Regulation.

[F.R. Doc. 59-3038; Filed, Apr. 10, 1959;
8:45 a.m.]

FEDERAL POWER COMMISSION

[Docket No. E-6873]

SIERRA PACIFIC POWER CO.

Notice of Application

APRIL 6, 1959.

Take notice that on April 1, 1959, an application was filed with the Federal Power Commission pursuant to section 204 of the Federal Power Act by Sierra Pacific Power Company ("Applicant"), a corporation organized under the laws of the State of Maine and doing business in the States of California and Nevada, with its principal business office at Reno, Nevada, seeking an order authorizing the issuance of up to but not exceeding \$3,500,000 of unsecured promissory notes. The unsecured promissory notes will be payable to such bank or banks from which Applicant may borrow funds, up to but not exceeding \$3,500,000 face amount at any one time outstanding, for periods not exceeding twelve months from the date of original issue or renewal thereof, as the case may be, such notes issued either originally or upon renewal from time to time to have maturity dates not later than December 31, 1960. Said notes will bear interest at a rate per annum not in excess of one quarter of 1 percent over the prime rate in effect in New York City at the time of borrowing or renewal. Applicant proposes to use the proceeds from the issuance and sale of said notes to reimburse itself for construction expenses heretofore made and, together with other cash from operations, to carry out the construction program in progress and contemplated in 1959.

Any person desiring to be heard or to make any protest with reference to said application should, on or before the 24th day of April 1959, file with the Federal Power Commission, Washington 25, D.C., petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-3040; Filed, Apr. 10, 1959;
8:45 a.m.]

[Docket No. E-6874]

GULF STATES UTILITIES CO.

Notice of Application

APRIL 6, 1959.

Take notice that on April 2, 1959, an application was filed with the Federal Power Commission pursuant to section 204 of the Federal Power Act by Gulf States Utilities Company ("Applicant"), a corporation organized under the laws of the State of Texas and doing business in the States of Texas and Louisiana with its principal business office at Beaumont, Texas, seeking an order authorizing the issuance of 250,000 shares of Additional Common Stock. The Common Stock, without par value, will be issued on or

about May 26, 1959, and will be included in a proposed split-up (of each such share into two shares) authorized by Applicant's Board of Directors on March 23, 1959. Applicant proposes to issue and sell the Additional Common Stock at competitive bidding. The purpose for which the Additional Common Stock is to be issued and sold is stated by Applicant to be for the reimbursement of its treasury in part for construction expenditures heretofore made which will enable Applicant to pay in full all of its short-term notes outstanding as of the date of the issuance of the Additional Common Stock and to carry forward its current construction program.

Any person desiring to be heard or to make any protest with reference to said application should, on or before the 27th day of April 1959, file with the Federal Power Commission, Washington 25, D.C., petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-3041; Filed, Apr. 10, 1959;
8:45 a.m.]

[Docket No. 18184]

SUN OIL CO.

Order for Hearing and Suspending Proposed Changes in Rates

APRIL 6, 1959.

The Sun Oil Company (Sun) on March 9, 1959, tendered for filing proposed changes in its presently effective rate schedules¹ for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes, which constitute increased rates and charges, are contained in the following designated filings:

Description: Notices of changes, March 5, 1959.

Purchaser: El Paso Natural Gas Company.
Rate schedule designation: Supplement No. 6 to Sun's FPC Gas Rate Schedule No. 30. Supplement No. 12 to Sun's FPC Gas Rate Schedule No. 58. Supplement No. 6 to Sun's FPC Gas Rate Schedule No. 61. Supplement No. 4 to Sun's FPC Gas Rate Schedule No. 65.

Effective date: April 9, 1959 (stated effective date is the first day after expiration of the required thirty days' notice).

In support of the proposed increased rates and charges for sales of natural gas from various fields in the Permian Basin area of Texas and New Mexico, Sun cites initial sales of natural gas by West Texas Gathering Company from Wells in Winkler County, Texas, at a base rate of 16.0 cents per Mcf to El Paso Natural Gas Company, and claims with respect thereto, applicability of favored-nation contract provisions in Sun's above-identified FPC Gas Rate Schedules. Sun also states that the contracts

were entered into at arm's length, in good faith and that the pricing provisions were an integral part of the consideration.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon a hearing concerning the lawfulness of the said proposed changes, and that Supplement No. 6 to Sun's FPC Gas Rate Schedule No. 30, Supplement No. 12 to Sun's FPC Gas Rate Schedule No. 58; Supplement No. 6 to Sun's FPC Gas Rate Schedule No. 61, and Supplement No. 4 to Sun's FPC Gas Rate Schedule No. 65, be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), a public hearing be held upon a date to be fixed by notice from the Secretary concerning the lawfulness of the proposed increased rates and charges contained in Supplement No. 6 to Sun's FPC Gas Rate Schedule No. 30; Supplement No. 12 to Sun's FPC Gas Rate Schedule No. 58; Supplement No. 6 to Sun's FPC Gas Rate Schedule No. 61; and Supplement No. 4 to Sun's FPC Gas Rate Schedule No. 65.

(B) Pending such hearing and decision thereon, said supplements be and they are each hereby suspended and the use thereof deferred until September 9, 1959, and until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended nor the rate schedules sought to be altered thereby shall be changed until this proceeding has been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-3042; Filed, Apr. 10, 1959;
8:45 a.m.]

[Docket No. G-10922]

P. R. RUTHERFORD ET AL.

Notice of Postponement of Hearing

APRIL 8, 1959.

Upon consideration of the motion filed April 7, 1959, by Counsel for P. R. Rutherford for further postponement of the hearing now scheduled for April 13, 1959 in the above-designated matters;

The hearing now scheduled for April 13, 1959, is hereby postponed to May 4, 1959 at 10:00 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C.

—[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-3057; Filed, Apr. 10, 1959;
8:47 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

APRIL 8, 1959.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 35351: *Substituted service—C. & O. Ry. for motor carriers.* Filed by Central States Motor Freight Bureau, Inc., Agent (No. 23), for The Chesapeake and Ohio Railway Company and interested motor carriers. Rates on property loaded in trailers and transported on railroad flat cars between Chicago, Ill., on the one hand, and Cincinnati, Ohio, or Detroit, Mich., on the other, on traffic originating at or destined to points on motor carriers in territories described in the application.

Grounds for relief: Motor truck competition.

Tariff: Supplement 2 to Central States Motor Freight Bureau tariff MF-I.C.C. No. 917.

FSA No. 35352: *Substituted service—Pa. R.R. for Foster Freight Lines, Inc.* Filed by Central States Motor Freight Bureau, Inc., Agent (No. 24), for The Pennsylvania Railroad Company, and interested motor carriers. Rates on property loaded in trailers and transported on railroad flat cars between Indianapolis, Ind., and East St. Louis, Ill.

Grounds for relief: Motor truck competition.

Tariff: Supplement 2 to Central States Motor Freight Bureau tariff MF-I.C.C. 917.

FSA No. 35353: *Coal—Pennsylvania points to Ceico, Ohio.* Filed by The Bessemer and Lake Erie Railroad, Agent (No. 3), for itself and on behalf of Erskine & Sons, Inc. Rates on bituminous and cannel coal, carloads from Goff, Hilliards, and Queen Junction, Pa., to Ceico, Ohio.

Grounds for relief: Motor carrier competition.

Tariff: Bessemer and Lake Erie Railroad Company Tariff I.C.C. 1372.

By the Commission.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 59-3045; Filed, Apr. 10, 1959;
8:45 a.m.]

¹ Present rates previously suspended and are in effect subject to refund in Docket No. G-16257 and subject to order in Docket No. G-12880.

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3786]

ARKANSAS POWER & LIGHT CO.

Notice of Filing of an Application Regarding Proposal to Issue and Sell Additional Shares of Preferred Stock

APRIL 6, 1959.

Notice is hereby given that Arkansas Power & Light Company ("Arkansas"), a public-utility subsidiary of Middle South Utilities, Inc., a registered holding company, has filed with this Commission an application, pursuant to the Public Utility Holding Company Act of 1935 ("Act"), regarding a proposal to issue and sell additional shares of preferred stock. The application designates section 6(b) of the Act and Rule 50 promulgated thereunder as applicable to the proposed transactions.

All interested persons are referred to the application on file at the office of the Commission for a statement of the transactions therein proposed, which are summarized as follows:

Arkansas proposes to issue and sell, pursuant to the competitive bidding requirements of Rule 50 promulgated under the Act, 75,000 additional shares of its \$100 par value authorized but unissued preferred stock, ranking *pari passu* with the outstanding two series of preferred stock. The dividend rate (to be a multiple of one twenty-fifth of 1 percent of the par value) and the price to be paid to the company for the preferred stock (to be not less than \$100 nor more than \$102.75 per share) will be determined by the competitive bidding.

The proceeds to be received from the sale of the stock will be used for the construction of new facilities, the extension and improvement of present facilities and for other corporate purposes. The company's construction expenditures for the year 1959 are estimated at \$30,100,000. The remainder of the funds required in addition to treasury cash, will be provided by the sale of such other securities as may be appropriate which will be the subject of further applications or declarations.

The application states that the fees and expenses to be incurred by the company in connection with the proposed transactions are estimated by the company as follows:

Federal stamp tax.....	\$7,500.00
Filing fee, Securities and Exchange Commission	770.63
Fees of transfer agent and registrar	2,000.00
Auditors' fees.....	3,500.00
Printing, including Form S-1, prospectus, etc.....	16,000.00
Printing and engraving securities.....	750.00
Charges of Ebasco Services, Inc.....	4,000.00
Fees of company's counsel:	
Reid and Priest.....	7,000.00
House, Holmes, Butler and Jewell	4,000.00
Miscellaneous expenses.....	14,479.37
Total.....	60,000.00

The fees of independent counsel for the underwriters, to be paid by the successful bidders for the preferred stock, are estimated at \$5,000.

It is further stated that the Arkansas Public Service Commission has jurisdiction over the proposed transactions, and that a copy of the order of that commission authorizing the transactions will be supplied by amendment to the application; that the Tennessee Public Service Commission asserts jurisdiction over the proposed transactions, and that an order of that commission in respect of the transactions will be supplied by amendment to the application; and that no other State commission and no Federal commission, other than this Commission, has jurisdiction over the transactions.

Notice is further given that any interested person may, not later than April 22, 1959, request the Commission in writing that a hearing be held in respect of such matters, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, which he desires to controvert, or he may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date the Commission may grant the application as filed, or as it may be amended, as provided by Rule 23 under the Act, or the Commission may grant exemption from its rules under the Act, as provided by Rules 20(a) and 100 thereof, or the Commission may take such other action as it deems appropriate.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,
Secretary.[F.R. Doc. 59-3046; Filed, Apr. 10, 1959;
8:45 a.m.]

[File Nos. 31-626, 59-40]

CENTRAL PUBLIC UTILITY CORP. AND CENTRAL PUBLIC UTILITY CORP. ET AL.

Order Modifying Outstanding Order and Granting Exemption Subject to Conditions

APRIL 3, 1959.

The Commission having, on June 13, 1952, entered its findings and opinion and order wherein, among other things, Central Public Utility Corporation ("Cenpuc"), a registered holding company, was ordered, pursuant to section 11(b)(2) of the Public Utility Holding Company Act of 1935 ("Act"), to take appropriate steps to terminate the existence of its subsidiary, The Islands Gas and Electric Company ("Islands"), an exempt holding company; and

Cenpuc having filed an application, pursuant to section 11(b) of the Act, requesting that the order of June 13, 1952, be modified so as to eliminate therefrom the requirement that the existence of Islands be terminated; and

Cenpuc having filed an application requesting an exemption from the pro-

visions of the Act pursuant to section 3(a)(5) thereof; and

A public hearing having been held after appropriate notice, and the Commission having considered the record and having this day issued its findings and opinion, on the basis of such findings and opinion:

It is ordered, Pursuant to section 11(b) of the Act, that the order of June 13, 1952, be, and hereby is, modified so as to eliminate the requirement therein that the existence of Islands be terminated.

It is further ordered, Pursuant to section 3(a)(5) of the Act, that Cenpuc as a holding company and every subsidiary company thereof as such, be, and hereby are, exempted from the provisions of the Act, subject to the following terms and conditions:

1. That this order of exemption shall automatically terminate if:

(a) Cenpuc is not merged or consolidated with one or more companies within six months of this date or such later period as the Commission shall grant upon good cause shown; or

(b) Within three months after the merger or consolidation of Cenpuc with one or more companies is effectuated, Islands is not merged with another non-affiliated company having nonutility assets with a net book value of \$8,000,000 or otherwise fails to acquire nonutility assets of a like book value or has not ceased to be an intermediate holding company in the Cenpuc holding-company system.

2. That pending the termination of the exemption or the effectuation of the merger or consolidation, Cenpuc will not undertake any transaction, other than the effectuation of the merger or consolidation, which, but for the granting of the exemption, would have required an application or declaration under the Act, without first giving fifteen days' notice of its intention to do so; and, if within said fifteen days the Commission shall so request, Cenpuc will not effectuate the transaction unless and until an application or declaration in respect thereof shall have been filed and shall have been granted or permitted to become effective;

3. That until Islands shall cease to be an intermediate holding company in the Cenpuc holding-company system, or Islands shall be merged or consolidated with another corporation having nonutility assets with a net book value of not less than \$8,000,000 or Islands shall otherwise acquire nonutility assets having a net book value of not less than \$8,000,000:

(a) Islands will not, without prior approval of the Commission, incur any indebtedness, except by bank loans payable within nine months and loans to it by Cenpuc or by another subsidiary of Cenpuc, or issue or sell any security, other than notes evidencing short-term bank loans as aforesaid, except to Cenpuc or to another subsidiary; and

(b) Cenpuc will not, without approval of the Commission, sell or otherwise distribute any outstanding security of Islands except to Islands itself or another subsidiary; and

4. That jurisdiction be, and hereby is, reserved with respect to:

(a) The fees and expenses of Cenpuc, of the Committee, and of their respective agents and attorneys and

(b) The solicitation material and form of proxy to be sent to the shareholders of Cenpuc in connection with any merger or consolidation by Cenpuc with one or more companies.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 59-3047; Filed, Apr. 10, 1959;
8:45 a.m.]

AMERICAN NATURAL GAS CO. ET AL.

Notice of Proposed Increase, Issuance and Sale of Common Stock by Subsidiaries, and Acquisition Thereof by Parent From Proceeds of Proposed Special Cash Dividends by Subsidiaries to Parent

APRIL 6, 1959.

In the matter of American Natural Gas Company, Michigan Consolidated Gas Company, Michigan Wisconsin Pipe Line Company, Milwaukee Gas Light Company, File No. 70-3783.

Notice is hereby given that American Natural Gas Company ("American Natural"), a registered holding company, its public-utility subsidiaries, Michigan Consolidated Gas Company ("Michigan Consolidated") and Milwaukee Gas Light Company ("Milwaukee"), and its non-utility subsidiary, Michigan Wisconsin Pipe Line Company ("Michigan Wisconsin"), have filed with this Commission a joint application-declaration pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6(b), 9, 10, and 12(f) of the Act and Rule 43 promulgated thereunder as applicable to the proposed transactions which are summarized as follows:

Michigan Consolidated proposes (1) to increase its authorized common stock from 8,200,000 shares to 8,480,000 shares, with a par value of \$14 each, by amending its Articles of Incorporation; (2) to issue and sell to American Natural 360,000 shares of Michigan Consolidated's common stock for \$5,040,000 in cash representing the aggregate par value

thereof; and (3) to pay to American Natural, prior to or concurrently with the sale of common stock, a special cash dividend of \$5,040,000.

Milwaukee proposes (1) to increase its authorized common stock from 2,650,000 shares to 2,900,000 shares, with a par value of \$12 each, by amending its Articles of Incorporation; (2) to issue and sell to American Natural 250,000 shares of Milwaukee's common stock for \$3,000,000 in cash representing the aggregate par value thereof; and (3) to pay to American Natural, prior to or concurrently with the sale of common stock, a special cash dividend of \$3,000,000.

Michigan Wisconsin proposes (1) to increase its authorized capital stock from 440,000 shares to 460,000 shares, with a par value of \$100 each, by amending its Certificate of Incorporation; (2) to issue and sell to American Natural 20,000 shares of Michigan Wisconsin's common stock for \$2,000,000 in cash representing the aggregate par value thereof; and (3) to pay to American Natural, prior to or concurrently with the sale of common stock, a special cash dividend of \$2,000,000.

American Natural, the sole common stockholder of the above-mentioned subsidiary companies, proposes to acquire the common stocks of said subsidiaries in the quantities and for the amounts indicated above.

The common stock to be issued and sold to American Natural by Michigan Consolidated, Milwaukee, and Michigan Wisconsin, under the proposals above set forth, is, in each case, in addition to common stock sold or to be sold to American Natural pursuant to recent authorizations by the Commission (File Nos. 70-3761, 70-3763 and 70-3772).

The payment by Michigan Consolidated, Milwaukee, and Michigan Wisconsin of cash dividends to American Natural and the concurrent reinvestment by American Natural of an amount equivalent to each dividend in the common stock of the dividend-paying subsidiary will convert \$10,040,000 aggregate amount of the earned surplus of the subsidiaries into permanent capital represented by common stock.

The fees and expenses to be incurred in connection with the proposed transactions are estimated as follows:

	Michigan Consolidated	Michigan Wisconsin	Milwaukee Gas Light
Federal original issue tax	\$5,040	\$2,000	\$3,000
State Commission fees	7,000	500	3,000
Counsel fees:			
Sidley, Austin, Burgess & Smith	500	500	500
Fairchild, Foley & Sammond			1,000
Dyer, Meek, Ruegger & Bullard	500		
American Natural Gas Service Co., for services at cost	500	500	500
Miscellaneous	260	200	250
	13,800	3,700	8,250

The joint application-declaration states that approval of the Public Service Commission of Wisconsin is necessary for the consummation of the sale of additional shares of common stock by Milwaukee, that approval of the Michigan Public Service Commission is necessary for the consummation of the sale of additional shares of common stock by Michigan Consolidated, and that the latter commission may be deemed to have jurisdiction over the issuance of securities by Michigan Wisconsin. The requisite orders of these State commissions will be filed by amendment hereto.

Notice is further given that any interested person may, not later than April 21, 1959, at 5:30 p.m., request the Commission in writing that a hearing be held on such matters, stating the nature of his interest, the reasons for such requests, and the issues of fact or law raised by said filing which he desires to controvert, or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, the joint application-declaration, as amended, may be granted and permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 59-3055; Filed, Apr. 10, 1959;
8:46 a.m.]

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